MEMORANDUM FOR RECORD

SUBJECT: AQO Staff Meeting Minutes, Feb 11, 97

ADMINISTRATIVE PROCESS. AQO will start measuring the effectiveness of the administrative process (tracking re-do's) shortly. Everyone was reminded that before correspondence goes to AQO for signature, it should be proofed by the team secretary.

SUSPENSES. Team chiefs will receive an updated listing of suspenses every Tuesday. In assigning suspenses, every attempt will be made to clearly identify the necessary action. When closing a suspense, please be clear and complete on what action has been taken.

CONTRACT PAYMENT & BUSINESS PRACTICES TEAM (AQOC).

o Dave Guinasso, AQOC, will be visiting DCMC Baltimore on 12 Feb to discuss the new DCMC policy on Cost Accounting Standards (CAS) and its application to the current backlog of CAS reportable audits. Dave will be conducting a workshop for ACOs and contract administrators to help DCMC Baltimore reduce its 116 open CAS reportable audits which account for 17% of the DCMC total. The Baltimore commander, COL Walsh, fully supports the assistance.

PRODUCT & MANUFACTURING ASSURANCE TEAM (AQOG).

o On 4-5 Feb 97, Mr. Poulin attended the U.S. Army Contractor Performance Certification Program (CP2) Management Board meeting at Rock Island, IL. The highlights of the meeting included: reviewing the Management Board Charter prior to final approval signature by the Army Materiel Command (AMC); a discussion of the contractors certified by each Major Subordinate Command (MSC); the current status of the CP2 home page (http://www.cbdcom.apgea.army.mil/CP2/); the apparent lack of interest by two certified contractors in updating certification status due to not receiving the benefits derived by participation in the program, e.g., reducing unnecessary contractual requirements and Government oversight; CP2 marketing strategy, including the DCMC Chicago Symposium 13 Mar 97; the status of the draft AMC/DCMC Memorandum of Agreement to eliminate redundant Quality System Evaluations; and the Army Materiel Systems Analysis Activity study of the value of the CP2 and the benefits derived from the certification process.

CONTRACTOR CAPABILITY & PROPOSAL ANALYSIS TEAM (AQOD).

- o Reinvention Lab for Parametric Pricing: Mr. Thurber and Mike Williams, accompanied by Mr. Thibault, Deputy Director of the Defense Contract Audit Agency (DCAA), and members of Mr. Thibault's staff, will visit DCMC Phoenix-McDonnell Douglas-Mesa on February 12, 1997. The contractor and local DCMC and DCAA offices will brief on their progress in the Reinvention Laboratory for Parametric Estimating. Messrs. Thurber and Thibault will also visit DCMC Phoeniz-Scottsdale on February 13th to review Motorola Government Electronics Group's parametric model for overhead costs.
- o Past Performance Information: Mike Williams will be briefing the Service Acquisition Executives on the draft DoD Past Performance Information Collection and Use guide this afternoon. Ms. Pettibone will accompany Mike to the briefing. Following the briefing, we should be able to release more information on this guide to the field.
- o The liaisons recently interviewed acquisition leaders at the buying activities to identify where they could use additional DCMC insight/services. We have completed analysis of responses to the first three interview questions and provided a "roll-up" briefing to Maj Gen Drewes for his information. (The remaining six questions are still being processed and will be provided separately.) A number of the customer concerns/recommendations expressed in the roll-up briefing will likely require followup by cognizant process owners. AQOD will forward a copy of the roll-up brief to each team as a "heads up" so that they can begin to consider appropriate actions/responses for their process areas.

PRODUCT DESIGN, DEVELOPMENT & CONTROL TEAM (AQOF).

- o Col Harper is attending the Joint Group on Systems Engineering (JGSE) meetings today and tomorrow.
- o Mike Ferraro is attending Performance Based Business Environment (PBBE) meeting this week

o Last week, Tito Maldonado participated in the DoD Configuration Mgt Advisory Group (CMAG). The Group completed disposition of comments on Configuration Mgt Data Interface Std (MIL-STD-2549). Release of this standard is planned for mid-summer and will cancel MIL-STD-973 (Configuration Mgt).

DLA TRANSPORTATION (MML).

o Jack Maher informed the group that the DCMC Transportation Automated Management System (TRAMS), which is a legacy system, will begin migration to the Military Traffic Management Command (MTMC) CONUS Freight Management (CFM) system this fiscal year. We anticipate beginning the transition with one CAO (undetermined) in September, with the others coming on-line in FY98. Five training areas will be utilized to train personnel on the new system: Boston, Philadelphia, Atlanta, Chicago and Los Angeles. Each CAO will send personnel for training; they in turn will train the other traffic management personnel and contractor personnel on the system. These training costs have already been programmed for FYs 97 and 98. In addition to the training, each DCMC Transportation office will require a dedicated telephone line into CFM and an external modem.

o Mr. Maher also informed the group that DCMC will be conducting a test of utilizing a third party to pay for government carrier shipments, through First Bank of Minneapolis. This follows a similar Defense Personnel Support Center (DPSC) initiative in Philadelphia.

APPROVED:

ROBERT W. SCHMITT
Deputy Executive Director
Contract Management Policy